



Building A Stronger Tomorrow
by Senator Norm Coleman

As we all know, Hurricane Katrina, the largest natural disaster to hit the United States in recent history, has had a far reaching impact on the Gulf Coast and the nation. Our work has just begun to reconnect families, rebuild homes, and reenergize the economy. In Congress, we will provide support to the Gulf area, investigate the causes of the poor initial response of government on all levels, and work to make sure short term fixes help address long-term needs to build a stronger region for the future prosperity of our country.

Prior to the storm, many signs pointed to a growing economy with continued job creation across the country, a solid housing market, and booming retail sales. In Minnesota, unemployment has fallen from 4.6 to 3.7 percent over the year, and in the past six months alone, 31,000 jobs have been created in our state. Additionally, the U.S. economy has grown faster than the economies of any other major industrialized nation for the past two years. These are strong indicators that Minnesota's and America's economy will be able to recover from the storm.

While it's too early to give an exact forecast of the consequences of Hurricane Katrina, estimates have emerged the storm will cause at least a hiccup to our economy and employment will decline in the following months.

The storm may have slowed us down, but a number of us in the U.S. Senate are working to continue the momentum in Minnesota and the United States as we grow our economy locally, nationally, and internationally. I wanted to take this opportunity to tell you about some of the work we are doing behind the scenes and behind the national news headlines that is keeping us moving toward a healthier and stronger economy.

Recently, Northwest Airlines declared bankruptcy, and so our attention must turn toward helping one of Minnesota's most reliable and important employers get back on its feet. Northwest Airlines has been wrestling with a number of challenges since 9/11 and stated that going into bankruptcy is not their preferred choice, but circumstances have made it necessary. I have long been concerned about the employees, families, and communities who depend on this major Minnesota employer for their jobs and livelihoods. Employee pensions must be protected, and I am doing everything I can to help lead this issue toward a resolution.

I have coauthored pension language contained in the Finance and HELP Committees' legislation to protect the pensions of more than 21,000 Minnesotans.

This is smart reform that will protect and grow jobs while it significantly decreases the likelihood airlines such as Northwest will have to pass along the costs onto taxpayers. A long-term vision for Minnesota must include a plan to help protect the lifetime work and savings of our work force, and I will work hard to make sure that plan is put into place as soon as possible.

We also need to maintain our edge in innovation and in the field of information technology. More than a thousand Minnesota companies rely on the R & D tax credit to spur innovation, which is why I recently joined 40 of my colleagues from both sides of the aisle to cosponsor the Investment in America Act of 2005. The R&D tax credit is set to expire at the end of this year, and this Act would permanently extend, enhance, and simplify R & D tax credit to fuel job creation, competitiveness and growth, and enable U.S. companies to bring more products and services to market. This will ensure our long-term competitiveness in the global market remains solid.

Our Minnesota economy will also benefit from opportunities within the medical device industry as we move into international markets. We are a health care state, and the continuing development and innovation of medical device technology makes our state a premier leader in health care. But as Chair of the Medical Device Caucus, I have a growing concern over our negative trade balance with Japan that threatens to injure this industry that employs more than 12 percent of Minnesota's workforce. Exports in medical devices and diagnostics totaled \$22.4 billion in 2003, but imports have increased to \$22 billion—indicating a new trend towards a negative trade balance for the first time in 15 years. This imbalance hurts Japanese patients who do not have access to many leading treatments and at the same time, hurts Minnesota's medical community, which is home to more than 8,000 medical-related companies.

Last Congress, I introduced a resolution in the Senate expressing my significant concern about how discriminatory practices and systematic barriers are limiting the ability of the U.S. medical device industry to introduce new technologies into the Japanese healthcare system. And just last week, Chairman Lisa Murkowski of the East Asian and Pacific Affairs Subcommittee, hosted a hearing on "Relations with Japan" to explore international trade initiatives with Japan and Minnesota's medical device industry. This hearing was a victory for Minnesota, our technology industry, and the international health care community who all need this trade issue resolved. Vital medical devices developed in Minnesota must be able to reach the health care providers and patients all over the world who need them the most.

While my focus for the future of Minnesota is steadfast, it is with great gratitude that I reflect on the compassion Minnesotans have shown in their response to help the evacuees and victims of Katrina. I am proud to represent a state that has been so generous in its volunteer relief efforts. As the days and weeks turn into months, I am confident that we will be equally as diligent in our efforts to help in the rebuilding efforts. Energy, agriculture, and transportation have all been disrupted—we need to get the nation back on course as soon as possible. I will do my part to help grow jobs, expand technology, and assist any effort to help make sure Minnesotans, our businesses, and those affected by Katrina's impact get back on their feet after this short-term setback. These important rebuilding steps will help us build a stronger and economically sound tomorrow.